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15 IYO, INC.

16 UNITED STATES DISTRICT COURT
17
18 NORTHERN DISTRICT OF CALIFORNIA
19

16 IYO, INC.

17 Plaintiff,

18 v.

19 IO PRODUCTS, INC., OPENAI, INC.,
20 OPENAI, LLC, SAM ALTMAN, and SIR
21 JONATHAN PAUL IVE,

22 Defendants.

Case No. 3:25-cv-4861

**DECLARATION OF DAVID RANGEL
IN SUPPORT OF PLAINTIFF IYO,
INC.'S MOTION FOR TEMPORARY
RESTRAINING ORDER AND
PRELIMINARY INJUNCTION**

Complaint Filed: June 9, 2025
Trial Date: None Set

1 I, David Rangel, do hereby declare as follows:

2 1. I am a general partner of Merus Capital IV, L.P. (“Merus Capital”), which is a
3 shareholder of Plaintiff IYO, Inc. (“Plaintiff” or “IYO”) in the above-captioned matter. I am over
4 18 years of age. I have personal knowledge of the facts stated herein, and if called as a witness, I
5 could and would testify competently thereto. I make this declaration in support of Plaintiff’s
6 Motion for a Temporary Restraining Order and Preliminary Injunction.

7 2. I have degrees in Economics and Computer Science from Northwestern University,
8 and an MBA from the University of Chicago. Throughout my nearly thirty-year career in software
9 and technology, I have had many responsibilities, including as a member of the Corporate Strategy
10 Group at Microsoft, Chief Operating Officer at Iterable, Inc. (a Merus Capital portfolio company),
11 and as a director at Google Research, where I led teams incubating new AI-enabled products.

12 3. On or around May 21, 2025, I saw Defendant OpenAI, Inc.’s (“OpenAI”) announcement of its formation of a new company, IO, and IO’s merger with OpenAI to make and
13 sell products that are extremely similar to IYO’s products under the brand name IO.

14 4. After reviewing OpenAI’s announcement about IO, I became incredibly concerned
15 with Merus Capital’s investment in IYO because the names are so confusing, and that this will
16 significantly impair IYO’s ability to raise capital.

17 5. Prior to May 21, 2025, I had heard rumors that OpenAI may be developing a
18 company or a product called “IO,” but I was skeptical that OpenAI would do so given its awareness
19 of IYO and that “IO” was essentially the same name as “IYO.” Hence, I brushed off those rumors.

20 6. When I read the May 21 announcement, however, I was shocked that OpenAI would
21 choose that name, given OpenAI’s history of meetings with IYO and its founder, and how much
22 OpenAI already knew about IYO and its business and technology.

23 7. I immediately knew how awful this was for IYO. OpenAI is causing IYO to suffer
24 a huge distraction by using the IO name, causing significant confusion in the marketplace, and
25 injuring IYO in the process.

26 8. This confusion is going to have a profoundly negative effect on IYO’s fundraising
27 opportunities. A fundraising company cannot go to market with the potential for confusion caused
28

1 by a company as large as OpenAI coming out with a name that is nearly identical to the one the
2 fundraising company is using.

3 9. IYO is now faced with a choice: either it can change its name to avoid confusion,
4 or it can fight. Either path requires significant resources and funds. In the best case scenario, the
5 company spends money to rebrand itself and its products, losing its market momentum and any
6 name recognition it has already built up. In the worst case, investors will simply not risk the
7 uncertainty and cost of a protracted dispute and will not invest. Either way, OpenAI has caused
8 significant harm to IYO.

9 10. More than one of my contacts have even asked me if IYO had anything to do with
10 OpenAI's announcement of IO. This was because of the confusion between the brand names.

11 11. As an executive, and as a potential customer of IYO's products, I cannot imagine
12 going to market with the risk of OpenAI putting its support behind a competing product called IO.
13 IYO's product is now going to be stillborn because of the harms I outlined above.

14 12. Confusion here is inevitable and extremely costly, if not fatal, to IYO.

15 13. With OpenAI having billions of dollars behind it, in addition to the media attention,
16 publicity and consumer recognition it has, it would be suicide for IYO to continue to market under
17 the IYO name.

18 14. Finally, I believe that IYO is going to face difficulties in recruiting employees in
19 light of OpenAI's IO. Top talent is not going to want to join a company whose name and brand
20 have been hijacked.

21 I declare under penalty of perjury under the laws of the United States of America that the
22 foregoing is true and correct.

23 Executed on June 9, 2025, in San Francisco, California.

24 Signed by:

25 *David Rangel*

26 C7EFE640719A4DA...
27 David Rangel
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